

## Message Text

CONFIDENTIAL

PAGE 01 HONG K 07304 090503Z  
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W  
-----128894 100407Z /13  
R 090440Z JUN 78  
FM AMCONSUL HONG KONG  
TO SECSTATE WASHDC 785  
INFO USLO PEKING  
AMEMBASSY TAIPEI

C O N F I D E N T I A L HONG KONG 7304

EXDIS

E.O. 11652: GDS  
TAGS: PEPR, CH, TW  
SUBJECT: PEKING'S VIEW OF TAIWAN PROBLEM

1. A SENIOR MANAGER OF THE HANG SENG BANK, ONE OF HONG KONG'S LARGEST PRIVATE BANKS, TOLD A CONGENOFF ON JUNE 6 THAT LOCAL PRC CADRES HAD INFORMED HIM THAT DURING THE PAST WEEK THEY HAVE RECEIVED POLICY GUIDANCE DOCUMENTS FROM PEKING STATING THAT PEKING NOW VIEWS THE TAIWAN PROBLEM AS A "SMALL PROBLEM" (HSIAO WENTI) IN THE CONTEXT OF CHINA'S WORLDWIDE FOREIGN POLICY INTERESTS. THE DOCUMENTS REPORTEDLY WENT ON TO SAY THAT THE TAIWAN PROBLEM WAS ONE WHICH WOULD HAVE TO BE "SOLVED BY HISTORY." THE BANKER SAID THE CADRES HAD ASSUMED THAT THE NEW POLICY GUIDELINES WERE FORMULATED AFTER DR. BRZEZINSKI'S VISIT TO PEKING.

2. COMMENT: THESE POLICY GUIDELINES, IF THEY IN FACT WERE ISSUED, WOULD REPRESENT A FURTHER FAVORABLE EVOLUTION IN CHINA'S POSITION ON THE TAIWAN QUESTION. AS FAR AS WE CAN RECALL, IT WOULD MARK THE FIRST TIME THAT PEKING HAS WIDELY INFORMED ITS CADRES THAT TAIWAN IS BOTH A "SMALL" PROBLEM AND THAT IT IS IN THE SAME UNHURRIED CATEGORY AS MACAO AND HONG KONG, I.E. AWAITING  
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SETTLEMENT BY HISTORY.

3. ALTHOUGH WE DO NOT KNOW HOW MUCH ACCESS THE SOURCE HAS TO AUTHORITATIVE PRC SOURCES, HIS BANK HAS SOME LINKS TO THE PRC THROUGH THE HO FAMILY, WHICH HAS A LARGE INTEREST IN HANG SENG. HO YIN, A MEMBER OF THE FAMILY, IS PEKING'S REPRESENTATIVE IN MACAO. WE WILL

SEEK CONFIRMATION BY MORE AUTHORITATIVE LOCAL SOURCES.  
SHOESMITH

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NNN

## Message Attributes

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**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN RELATIONS, INTELLIGENCE ASSESSMENTS  
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**Draft Date:** 09 jun 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
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**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Executive Order:** GS  
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**Expiration:**  
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**TAGS:** PEPR, CH, TW  
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